

**SUPPLEMENTAL DIRECT TESTIMONY OF JOE R. JOHNSON
ILLINOIS COMMERCE COMMISSION**

DOCKET NO. 01-0635

OFFICIAL FILE

ICCC DOCKET NO. 01-0635

Nicor Exhibit No. 1.00

Witness Johnson

Dr. 02602 Reporter CK

Q1. Please state your name and business address.

A1. Joe R. Johnson, 1844 West Ferry Road, Naperville, Illinois 60563-9600.

Q2. By whom are you employed?

A2. Northern Illinois Gas Company, d/b/a Nicor Gas Company ("Nicor Gas" or the "Company").

Q3. What position do you hold with Nicor Gas?

A3. I am Manager Real Estate.

Q4. What are your responsibilities in that position?

A4. I am responsible for the Company's real estate activities, including purchasing, management and sale of property and the supervision of right-of-way agents in acquisition of right-of-way required in the Company's utility business.

Q5. Please describe your background and experience.

A5. I have been employed by Nicor Gas for thirty-six years. During that time, I have held various management positions in Auditing, Subsidiaries Accounting and Division Operations. I have worked in the Real Estate Department for the last nineteen years.

Q6. Are you familiar with the Petition in this proceeding?

A6. Yes.

Q7. What does Nicor Gas seek in this proceeding?

A7. Nicor Gas proposes to purchase 15.97 acres of land, together with an office building and other facilities thereon (the "Property"), from DeKalb Genetics Corporation, a subsidiary of Monsanto Company ("DeKalb"), an "affiliated interest" of Nicor Gas. Because of this "affiliated interest" relationship, Nicor Gas seeks authority to purchase the Property.

23 **Q8. Last year, Nicor Gas sold approximately 25 acres from the site of their existing**
24 **headquarters to another company. This year they want to purchase approximately 16**
25 **acres in Sycamore. Why did Nicor sell the Naperville parcel, given the need for space**
26 **now—one year later?**

27 A8. The 25 acres located adjacent to Nicor Gas' General Office property in Naperville did not
28 meet the long term location needs of the Company for a call center. After considerable
29 consideration, and for the reasons detailed below, including a better production
30 environment and recruiting and retention rate for call center employees, the Company
31 determined that a customer call center located in the DeKalb/Sycamore area would provide
32 more efficient and reliable service than such a center within or in the shadow of our
33 Naperville corporate headquarters. The suitability of the Sycamore property is in its
34 location - proximity to the labor market detailed in the response to Question 9, and the
35 existing office building located thereon. The specific acreage was not a factor in the
36 determination of the suitability for a call center location.

37 **Q9. A concern has been expressed that the sole purposes listed for the Sycamore property**
38 **are to use it as a call center, administrative office and training center and that no**
39 **evidence was presented earlier in the case that a call center, administrative office and**
40 **training center were needed. A concern has also been expressed that Nicor Gas**
41 **already maintains a call center, administrative office and training center in**
42 **Naperville. How do you respond?**

43 A9. The Company currently operates two call centers – one in Naperville and the second in

Bloomington. If the Sycamore property is acquired, the Naperville Call Center would be relocated to the proposed Sycamore location. The reasons for relocating the Naperville Call Center include the following:

Background Information:

The Company has experienced a better recruiting and retention rate at its Bloomington call center than it has at Naperville. An initiative was launched by the Company to determine whether moving the Naperville call center to a more rural area was feasible. It was determined that the ideal area would be West or Northwest. The Company wanted to be somewhat close to the interstates and far enough away from Naperville to secure the labor advantage, but close enough to Naperville for the Company's support departments to reasonably respond. The DeKalb/Sycamore area was identified as an ideal location.

The Labor Market Benefit:

Traditionally, call centers experience higher than average turnover. The area where cost and quality can be significantly impacted is recruiting and retention. According to data gathered during a recent study, our attrition rates for the 12-month period of March 2000 to March 2001 were as follows:

<u>Area</u>	<u>Attrition</u>
Naperville	73%
Bloomington	41%
Combined	60%

Further analysis showed that 71% of all attrition happens in the first 60 days of employment. By moving the Company's call center West, Nicor Gas' wages would be relatively higher than the average, and the Company feels it would be able to attract more

mature, career minded individuals. This would generate cost savings through less recruitment and training costs, as well as increasing customer satisfaction. Data gathered from the DeKalb County Economic Development Corporation (DCED) supports this thesis. In fact, according to Roger Hopkins, Executive Director of DCED, Nicor Gas' current pay rates would make the Company much more attractive than the current clerical employers in the DeKalb/Sycamore area. The Company also determined that it would face less competition for clerical employees in DeKalb/Sycamore than it currently faces even in Bloomington. Attached in Exhibit (A) is a copy of a recent Wage and Benefit survey for DeKalb County. The following three categories would be similar to our Customer Care Services (CCS) position:

	<u>DeKalb County Median Hourly Rate</u>	<u>DeKalb County Mean Hourly Rate</u>
Clerk – Data Entry	\$8.32	\$9.19
Clerk – General Office	\$10.58	\$10.36
Customer Service Rep.	\$10.33	\$10.85

Attached in Exhibit (B) is a labor market analysis conducted by DCED. Unemployment statistics show that, due to softening of the economy, the unemployment rate has risen for the first quarter of 2001. Listed below are the historical unemployment statistics:

2001 (1 st Quarter)	4.0%
2000	3.3%
1999	3.4%
1998	3.2%

The report supports the Company's analysis that the availability of experienced call center workers in Sycamore will be good. The report shows that there has been recent downsizing in both physical and clerical positions. There has been clerical/customer service downsizing in the last five years at the following:

Duplex Products (50% clerical)	415 positions
Creative Calligraphy (50% Customer Service)	105 positions
DeKalb Genetics/Monsanto (100% Clerical)	280 positions (60 were call center)
Nestle (100% Customer Service)	30 positions
Ideal Industries (50% Clerical)	82 positions

Three small telemarketing firms operate in the areas, but pay less than Nicor Gas' current rates. Finally, the attached report supports the long-term viability of a workforce. DeKalb County, especially the DeKalb/Sycamore area has shown 2-3 percent annual population and housing growth.

Other Call Center Relocation Benefits:

- ◆ Relocating to the proposed new building would move the call center from "An Open Office Building" environment to a secure production environment. The Company has experienced an increase in productivity since restricting access to the fourth floor of its General Office where the call center is presently located. Moving into a purely production environment is expected to increase productivity even further.
- ◆ In addition to providing a pool of mature, career-minded individuals, the Northern Illinois University College town offers a student and spouse workforce. This would be especially helpful with Nicor Gas' initiative to staff with temporary employees in

the summer months to handle the spike of turn-on calls precipitated by the busy summer moving season, typically late May into early September.

◆ The proposed site is close enough to Nicor Gas' General Office in Naperville for the various support services to remain effective and responsive.

◆ By relocating the call center out of the General Office, the Company would free up two-thirds of the fourth floor for other departmental expansion or consolidation from other offices.

Nicor Gas currently leases office space at 400 North Highland Avenue, Aurora, Illinois.

This office space would be relocated to Sycamore and to the General Office.

Nicor Gas has no immediate plans for moving our training center, but the Company feels that the Sycamore property would allow the possibility for future use for this purpose.

Nicor Gas is seeking a workforce of mature, career-minded individuals with a complement of students and spouses of students. Seventy percent of Nicor Gas call center representatives have less than three years of employment with the Company. Hiring college students committed to an educational program can help stabilize our workforce by enabling us to hire responsible individuals at a reasonable cost.

Q10. With respect to the 73% attrition rate for Naperville referenced in the previous response: (a) Did some of those people leave the call center for other Nicor Gas positions and (b) Are people from the Naperville call center going to be afforded the opportunity to move to the Sycamore call center?

A10. From March 2000 to March 2001, some customer service representative positions were vacated in the Naperville call center due to promotions, transfers and retirements; however, the 73% attrition resulted from new hires to fill these vacated positions. In response to the

131 second part of the question, Naperville call center employees will be offered transfers to the
132 Sycamore call center.

133 **Q11. With respect to the reference to the Wage and Benefit survey for DeKalb County –**
134 **hourly rates for Clerk – Data Entry, Clerk – General office, and Customer Service**
135 **Rep: (a) What are the comparable rates for these positions for the Naperville area?**
136 **And (b) What are Nicor Gas' rates for those positions?**

137 A11. At this time the Company does not have complete and accurate data regarding
138 comparable rates for those positions for the Naperville area. The following are the
139 Company's rates for those positions:

140		<u>Nicor Gas – effective March 2002</u>
141	Clerk – Data Entry	\$10.56
142	Clerk – General Office	\$12.21
143	Customer Service Rep.	\$10.25 start: \$12.07 after six mos.

144 **Q12. The purchase of the Sycamore property is claimed to be a benefit for Nicor Gas and**
145 **the public. How would it benefit Nicor Gas and the public to have two call centers?**

146 A12. Nicor Gas already operates two call centers. Multiple call centers are essential for disaster
147 recovery and emergency situations to assure non-interruption of customer calls.

148 **Q13. The appraiser for the Sycamore property stated that the assessment and taxes could**
149 **increase significantly if the purchase is completed. Would this benefit Nicor Gas and**
150 **the public?**

151 A13. Real estate taxes are based on the value of the property in question. MAI appraiser Joe
152 Magdziarz has confirmed that the statement referred to in his appraisal is a standard
153 qualifier that he places in all of his appraisals. This is intended to be a notice that there is

no guarantee that the assessment will not increase, especially if the sale price is measurably greater than the full value represented by the assessed valuation. However, it does not mean with certainty that the assessment and taxes will increase. Moreover, on an overall basis, the Company is confident that moving a portion of its operations to Sycamore would be very cost effective.

Q14. How long was the Sycamore property on the market before Nicor Gas contracted to buy it?

A14. The property was listed in June of 2000 with an asking price of \$3.9 million.

Q15. The purchase price per square foot of office space is significantly lower at \$65.38 than comparable properties in the Sycamore area, which range from \$72.44 to \$88.31 per square foot. Although this may be considered prudent for a purchase, how can the Commission be confident that the Sycamore property was not reduced for quick sale because the owner, an affiliated interest, could not sell the property?

A15. The comparable sales presented in the appraisal ranged from \$72.44 to \$88.31 per square foot of leasable space. The subject property has a gross building area of 52,500 square feet, less the atrium area of 6590 sq. ft., for a net leasable area of 45,910 square feet. Page 19 of the appraisal indicates an estimated value of \$74.00 per square foot of leasable property, in the low range of the comparable sales presented in the appraisal.

Page 2 of the appraisal provides a definition of Market Value (as defined by the Federal Financial Institutions Regulatory Agencies), as follows: *Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this*

definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

(1) Buyer and seller are typically motivated.

(2) Both parties are well informed or well advised, and acting in what they consider to be their own best interests.

(3) A reasonable time is allowed for exposure to the open market.

(4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

(5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

As previously indicated, the owner listed the property for sale with a commercial brokerage at an asking price of \$3.9 million. This property was brought to Nicor Gas' attention by a commercial broker, working on behalf of the Company, together with the listing broker. An independent, professional appraisal by Joseph Madgziarz, MAI, SRA, was subsequently commissioned by the Company to provide parameters for negotiating a reasonable purchase price. Negotiations proceeded through the respective brokers of the parties on an arm's length basis, culminating in the Purchase and Sale Agreement, with a purchase price of \$3.4 million. Each of the criteria in the aforementioned definition of market value was, and is, an integral part of the proposed transaction. It should be further noted that the property is still being shown on the internet commercial real estate site of Loopnet at the original asking price. A copy of the offering summary from that site is attached as Exhibit "C" hereto.

200 **Q16. The appraiser for the Sycamore property stated that the atrium is an over-**
201 **improvement and results in functional obsolescence leading to additional operating**
202 **costs to heat and cool the building. Was it prudent to purchase property with this**
203 **characteristic?**

204 A16. On an overall basis, the property meets the needs of the Company. It is ideal in both
205 location and building layout. Due to changes in the needs and wants of buyers and renters,
206 design changes cause most buildings to suffer some amount of functional obsolescence
207 over time. This was accounted for in the appraisal in arriving at the various approaches to
208 value, and in the final value reconciliation, and in the purchase price offered by the
209 Company.

210 **Q17. Regarding the validity of the evaluation - The year 2000 assessment for the Sycamore**
211 **property was approximately \$2.7 million. Can a property increase in value by 34.7%**
212 **in just one year (June 18, 2001) to \$3.65 million?**

213 A17. It is common in the State of Illinois for the assessed value of a property to be lower than
214 what that property could be sold for in the marketplace. A sale of any property, as well as
215 other issues, can trigger a reassessment of that property. While it is possible for the
216 property to be reassessed at the full sale price, that is often not the case.

217 **Q18. Most governmental bodies require more than one appraisal. Was the appraisal dated**
218 **June 18, 2001 the only appraisal prepared for the Sycamore property?**

219 A18. The June 18, 2001 appraisal is the only appraisal obtained for the Sycamore property, and
220 was obtained to provide an independent valuation of the property in order to set parameters
221 for negotiating a reasonable purchase price. A professional appraiser with excellent
222 credentials, MAI and SRA, prepared this appraisal. The report was thoroughly reviewed

and found to have appropriately covered the three approaches to value and the reconciliation thereof. No inconsistencies or problems were evident to require going to the considerable additional expense of arranging for a second appraisal. As indicated in the Direct Testimony, the price was negotiated on an arm's-length basis. Of course, Nicor Gas is not a governmental body.

Q19. Does Nicor Gas plan to hire new employees that cannot be accommodated at the current call center, administrative office and training center on the headquarters campus in Naperville?

A19. See response to Question 9.

Q20. Has the Sycamore property been reviewed by the Illinois Historic Preservation Agency?

A20. Yes. A copy of their October 12, 2001 finding of "no effect on Historic Properties" is attached hereto as Exhibit "D".

Q21. Has the Company conducted an environmental assessment on the property?

A21. Yes. A Phase I environmental site assessment of the property was conducted on behalf of Nicor Gas by Huff and Huff Inc. Attached hereto as Exhibit "E" is a copy of the October, 2001 report and Appendix A thereto. As noted in the Conclusion and Certification, the assessment revealed "no evidence of recognized environmental conditions in connection with the property."

Q22. Does this conclude your supplemental direct testimony?

A22. Yes.

DeKalb County Economic Development Corporation Wage and Benefits Survey

Thank you for participating in our Wage and Benefit survey.
Each participating company will receive a copy of the survey report.

1. Company

39 companies responded (totals in this survey range
from 27 to 43 due to variances in responses).

4. Total Employment _ 4522 : full-time _ 4241 part-time _ 281

5. Phone _____

6. What was the percent of your company's last annual wage adjustment?

mean of 3.53% (out of 26 responses)

7. What is the effective date of your company's annual wages in this
survey? (check one)

Jan 1, 2000 July 1, 2000 Other _____

Jan 1, 2000 18.4% (7 out of 38 responses)
July 1, 2000 50% (19 out of 38 responses)
On employees' anniversaries 13.2% (5 out of 38 responses)
Other dates 18.4% (7 out of 38 responses)

Survey questions apply to all regular, permanent employees who are eligible for company benefits. Please check the appropriate box and enter the appropriate information.

		Full Time Employees			Part-time Employees		
		Yes	No	How Many days per Year	Yes	No	How Many Days per Year?
8	Paid Holidays	38 of 39 97.4%		9 mean of 8.9 days	2 of 27 7.4%		10 not enough data to report meaningful statistics.
11	Paid Sick Leave	25 of 40 60%		12 mean of 15.1 days	1 of 27 3.7%		13 not enough data to report meaningful statistics.
14	Paid Maternity Leave	19 of 37 51.4%		15 mean of 41.9 days **	1 of 27 3.7%		16 not enough data to report meaningful statistics.

** There were 8 responses to the number of days for maternity leave: 13 weeks (recorded as 65 days), 5 days, 30 days, 6 or 8 weeks (recorded as 34 days), 6 weeks (recorded as 30 days), 130 days, 20 days, and 20 days.

		Full-time Employees		Part-time Employees	
		Yes	No	Yes	No
17	Credit Union	16 of 39 responses 41%		10 of 27 responses 37%	
18	Shift Premium	17 of 39 responses 43.6%		9 of 27 responses 33.3%	
19	Suggestions System	17 of 39 responses 43.6%		10 of 27 responses 37%	
20	Profit Sharing	25 of 39 responses 64.1%		6 of 27 responses 22.2%	
21	Christmas Bonus	16 of 39 responses 41%		10 of 27 responses 37%	
22	Educational Reimbursement	32 of 39 responses 82%		7 of 27 responses 25.9%	
23	Employee Discounts	16 of 39 responses 41%		8 of 27 responses 29.6%	
24	Commission On Sales	16 of 39 responses 41%		2 of 27 responses 7.4%	
25	Stock Purchase Plan	8 of 39 responses 20.5%		1 of 27 responses 3.7%	
26	Flextime	16 of 39 responses 41%		9 of 27 responses 33.3%	
27	Transportation Assistance	3 of 39 responses 7.7%		3 of 27 responses 11.1%	
28	Child Care Assistance	4 of 39 responses 10.3%		1 of 27 responses 3.7%	

29. Basic workweek for full-time employees (in hours): please check the appropriate box.

Up to and including 35 per week (0 of 41 responses- 0%)	Over 37.5 but less than 40 per week (2 of 41 responses-4.9%)
Over 35 but less than 37.5 per week (0 of 41 responses-0%)	40 hours per week (32 of 41 responses-78%)
37.5 hours per week (1 of 41 responses-2.4%)	Over 40 hours per week (6 of 41 responses-14.6%)

30. Which of the following does your firm use as a basis for wage and salary increases?

(Check all that apply)

Merit review	Length of service	Cost of living
(38 of 41) 92.7%	(13 of 41) 31.7%	(13 of 41) 31.7%

31. Frequency of range and salary adjustments: Start Year:

1 month	2 months	3 months	6 months	Annual	Other
(1of42) 2.4%	(2of42) 4.8%	(15of42)35.7%	(8of42) 19%	(21of42) 50%	(2of42) 4.8%

32. Frequency of wage and salary adjustments after Start Year:

3 months	6 months	Annual	Other
(1of42) 2.4%	(5of42) 11.9%	(36of42) 85.7%	0%

33. Does your company have a union affiliation? (If no, skip the next two questions)

Yes (7 out of 41 responses) 17% No

What is the name of the union? _____

Unions Represented in this survey were: The International Association of Machinists and Aerospace Workers,
Teamsters,
Operating Engineers
United Furniture Workers
The Fraternal Order of Police
The International Association of Fire Fighters
The American Federation of State, County, and Municipal Employees

34. Does your laboring contract include a wage re-opening clause? (0 out of 7 responses)

35. Does your contract include a cost-of-living clause? (2 out of 7 responses)

Please tell us about your paid vacation benefits (check only one box per line).

Years of Service Required		
36.	1 week vacation	Mean of 1 year (26 responses)
37.	2 weeks vacation	Mean of 2.03 years (40 responses)
38.	3 weeks vacation	Mean of 7.76 years (37 responses)
39.	4 weeks vacation	Mean of 12.11 years (27 responses)
40.	5 weeks vacation	Mean of 21.25 years (8 responses)
41.	6 weeks vacation	25 years (1 response)
42.	Over 6 weeks vacation	No responses

43. The total cost of your company's fringe benefit package is equal to what percent of your straight time hourly wage dollar? Mean of 31.6% (20 responses)

Please tell us who pays these costs (check all that apply)

Full-time Employees					Part-time Employees		
		Company Paid	Employee Paid	Company Employee Shared %Split	Company Paid	Employee Paid	Comp. Empl. Shared %Split
44	Dental insurance	9 of 41 22%	16 of 41 39%	16 of 41 39%	1 of 26 3.8%	25 of 26 96.2%	0 of 26 0%
45	Eye Glasses	4 of 40 10%	24 of 40 60%	12 of 40 30%	0 of 26 0%	26 of 26 100%	0 of 26 0%
46	Group life insurance	26 of 41 63.4%	2 of 41 4.9%	13 of 41 31.7%	1 of 26 3.8%	25 of 26 96.2%	0 of 26 0%
47	Hospitalization insurance	12 of 42 28.6%	3 of 42 7.1%	27 of 42 64.3%	1 of 26 3.8%	25 of 26 96.2%	0 of 26 0%
48	Long-term disability insurance	17 of 39 43.6%	17 of 39 43.6%	5 of 39 12.8%	1 of 26 3.8%	25 of 26 96.2%	0 of 26 0%
49	Major medical insurance	12 of 40 30%	3 of 40 7.5%	25 of 40 62.5%	1 of 26 3.8%	25 of 26 96.2%	0 of 26 0%
50	Pension Plan	12 of 39 30.8%	16 of 39 41%	11 of 39 28.2%	0 of 26 0%	25 of 26 96.2%	1 of 26 3.8%
51	Prescription	12 of 40 30%	5 of 40 12.5%	23 of 40 57.5%	0 of 26 0%	26 of 26 100%	0 of 26 0%
52	Short-term disability insurance	25 of 40 62.5%	11 of 40 27.5%	4 of 40 10%	1 of 26 3.8%	25 of 26 96.2%	0 of 26 0%
53	Surgical benefits	14 of 40 35%	3 of 40 7.5%	23 of 40 57.5%	1 of 26 3.8%	25 of 26 96.2%	0 of 26 0%

Number of Employees by Zip Code (also, see attached maps)

Number of Employees	Zip Code
1	46324
1	50161
1	50438
1	53115
1	53121
1	53147
1	53191
1	53195
1	53511
1	54437
1	60008
1	60010
1	60016
1	60018
1	60025
26	60033
1	60046
2	60050
2	60056
1	60068
3	60098
12	60102
9	60103
2	60109
5	60111
58	60112
15	60113
3	60114
1049	60115
2	60118
13	60119

Number of Employees	Zip Code
17	60123
9	60129
10	60134
328	60135
11	60140
120	60145
77	60146
9	60148
46	60150
25	60151
14	60152
1	60155
1	60157
7	60168
21	60174
18	60175
2	60177
725	60178
1	60180
1	60181
3	60182
3	60185
5	60187
11	60188
1	60190
1	60194
1	60195
1	60431
2	60435
1	60480
6	60504

Number of Employees	Zip Code
5	60505
16	60506
6	60510
1	60515
1	60516
8	60518
8	60520
13	60530
10	60531
3	60532
5	60538
1	60540
1	60541
4	60542
5	60543
1	60544
9	60545
71	60548
9	60550
5	60551
5	60552
6	60553
11	60554
1	60555
34	60556
30	60560
1	60563
1	60565
1	60953
4	61006
178	61008

Number of Employees	Zip Code
6	61010
2	61011
1	61012
5	61015
14	61016
7	61020
7	61021
2	61031
1	61032
9	61038
2	61043
5	61049
10	61052
1	61054
10	61061
13	61065
156	61068
1	61071
5	61072
4	61073
3	61081
2	61084
2	61088
6	61101
3	61102
3	61103
8	61104
8	61107
6	61108
34	61109
3	61111

Number of Employees	Zip Code
3	61114
1	61201
1	61301
2	61310
2	61326
1	61330
4	61342
6	61353
1	61354
1	61376
1	61550
1	61615
1	64117
1	68136
1	75214

Office Positions

Accountant:	# of comp.	14
	# of positions	18
Range: 11.86 to 38.46	1st quart	19.64
	median	22.63
	3rd quart	29.00
	mean	23.53

Accounting Clerk	# of comp.	19
	# of positions	48
Range: 6.20 to 18.45	1st quart	10.45
	median	12.40
	3rd quart	13.71
	mean	11.79

Admin. Assist.	# of comp.	19
	# of positions	25
Range: 6.75 to 28.25	1st quart	11.44
	median	12.25
	3rd quart	16.83
	mean	13.66

Clerk-data entry	# of comp.	6
	# of positions	11
Range: 6.20 to 16.23	1st quart	8.32
	median	8.32
	3rd quartile	10.25
	mean	9.19

Clerk-general office	# of comp.	19
	# of positions	44
Range: 6.20 to 19.23	1st quart	10.10
	median	10.58
	3rd quart	10.58
	mean	10.36

Computer/LAN/WAN Admin.	# of comp.	6
	# of positions	7
	1st quart	16.00
Range: 15.48 to 43.05	median	19.70
	3rd quart	31.16
	mean	23.18

Customer Services Rep.	# of comp.	18
	# of positions	141
	1st quart	9.28
Range: 6.00 to 31.25	median	10.33
	3rd quart	12.75
	mean	10.85

Draftsperson-CAD	# of comp.	11
	# of positions	24
Range: 7.00 to 31.25	1st quart	15.98
	median	15.98
	3rd quart	20.00
	mean	17.71

Microcomputer Software Spec.	# of comp.	8
	# of positions	11
	1st quart	7.00
Range: 7.00 to 35.20	median	19.23
	3rd quart	24.21
	mean	17.71

Shipping/receiving Clerk	# of comp.	16
	# of positions	27
	1st quart	10.35
Range: 7.80 to 24.04	median	13.09
	3rd quart	14.00
	mean	12.83

Secretary	# of comp.	9
	# of positions	26
Range: 7.00 to 17.78	1st quart	13.00
	median	13.96
	3rd quart	13.96
	mean	13.26

Industrial Positions

Assembler-small parts	# of companies	14
	# of positions	173
	1st quart	8.00
Range: 6.00 to 17.00	median	9.02
	3rd quart	13.35
	mean	10.47

Assembler-Electronics	# of comp.	4
	# of positions	316
	1st quart	15.00
Range: 9.32 to 16.74	median	15.45
	3rd quart	15.90
	mean	15.45

Drill Press Operator	# of comp.	4
	# of positions	13
Range: 8.00 to 15.72	1st quart	12.80
	median	12.80
	3rd quart	14.25
	mean	13.14

Electrician	# of comp.	7
	# of positions	15
Range: 11.00 to 22.41	1st quart	17.00
	median	18.04
	3rd quart	18.84
	mean	17.13

Engineer	# of comp.	7
	# of positions	28
Range: 15.00 to 43.05	1st quart	24.47
	median	27.43
	3rd quart	31.61
	mean	26.69

Foreman/team leader	# of comp.	24
	# of positions	110
Range: 6.00 to 36.18	1st quart	13.35
	median	17.25
	3rd quart	18.21
	mean	16.90

Inspector/Quality control	# of comp.	15
	# of positions	41
	1st quart	11.65
Range: 7.80 to 19.77	median	14.42
	3rd quart	16.85
	mean	14.00

Janitor	# of comp.	16
	# of positions	23
Range: 6.00 to 16.16	1st quart	8.00
	median	11.86
	3rd quart	13.24
	mean	11.26

Laborer/Dockhand	# of comp.	10
	# of positions	37
Range: 6.50 to 17.16	1st quart	8.00
	median	8.88
	3rd quart	12.00
	mean	10.20

Lift truck/warehouse operator	# of comp.	11
	# of positions	69
	1st quart	11.48
Range: 7.00 to 16.23	median	13.88
	3rd quart	13.88
	mean	12.95

Machine operator (exc. drill, punch,...)	# of comp.	13
	# of positions	156
Range: 5.50 to 18.21	1st quart	9.48
	median	9.48
	3rd quart	12.41
	mean	10.82

Machine Operator CNC	# of comp.	13
	# of positions	136
Range: 7.50 to 19.77	1st quart	10.38
	median	16.86
	3rd quart	16.86
	mean	14.20

Machine Operator	# of comp.	5
Grinding machine	# of positions	18
	1st quart	9.65
Range: 8.00 to 17.71	median	13.50
	3rd quart	13.50
	mean	12.47

Machine Operator	# of comp.	1
plastic inject.		
molding	Not enough	
	Responses to	
	Report	
	Meaningful	Stats.

Machine Operator	# of comp.	2
Woodworking	# of positions	11
Machinery	1st quart	9.25
	median	9.25
Range: 8.75 to 18.75	3rd quart	14.75
	mean	10.75

Machinist	# of comp.	12
	# of positions	43
Range: 7.85 to 19.94	1st quart	11.37
	median	12.33
	3rd quart	15.13
	mean	13.35

Maintenance	# of comp.	19
Mechanic	# of positions	63
	1st quart	15.40
Range: 10.00 to 22.41	median	15.99
	3rd quart	17.13
	mean	16.27

Packer	# of comp.	12
	# of positions	151
Range: 6.55 to 16.11	1st quart	7.79
	median	9.00
	3rd quart	11.66
	mean	10.41

Sheet Metal Worker	# of comp.	2
	# of positions	10
Range: 8.00 to 17.76	1st quart	12.80
	median	12.80
	3rd quart	12.80
	mean	13.30

Sheet Press printing	# of comp.	4
Operator	# of positions	12
	1st quart	13.10
Range: 9.25 to 20.60	median	13.40
	3rd quart	13.80
	mean	13.81

Stock Person	# of comp.	7
	# of positions	17
Range: 6.00 to 16.23	1st quart	8.60
	median	10.42
	3rd quart	10.42
	mean	10.03

Technician	# of comp.	8
	# of positions	27
Range: 10.34 to 21.15	1st quart	13.50
	median	16.00
	3rd quart	18.00
	mean	15.74

Tool & die Maker	# of comp.	5
	# of positions	17
Range: 11.65 to 23.98	1st quart	18.04
	median	19.35
	3rd quart	20.52
	mean	19.22

Truck driver	# of comp.	11
	# of positions	28
Range: 7.00 to 20.48	1st quart	14.07
	median	14.48
	3rd quart	14.90
	mean	17.76

Web Press Printing	# of comp.	2
Operator	# of positions	11
	1st quart	16.00
	median	16.00
Range: 9.00 to 20.00	3rd quart	17.00
	mean	16.27

Welder,	# of comp.	7
Spot Production	# of positions	65
	1st quart	8.30
Range: 6.00 to 17.71	median	14.50
	3rd quart	15.96
	mean	12.97

CALL CENTER LABOR MARKET ANALYSIS FOR DEKALB/SYCAMORE

Included in this report is a detailed discussion of the request for labor market information

NIU offers nearly 15,000 students available for part-time and seasonal employment.

DeKalb and Sycamore both adjoin I-88, and offer excellent transportation accessibility.

The area has had a good productive work force, which is growing at an estimated 2%-3% per year. The local area has had a very quiet labor management relations track record and has not seen a successful union election in business in over twenty years.

The area's pro business track record is evident with the past development of several large companies, including Goodyear and TNT Logistics, Nestle, Panduit, 3M, IDEAL INDUSTRIES, Monsanto, Plano Molding, Standard Register, and a number of others.

General Labor Market. Long term, we believe that DeKalb County has the capability of furnishing a growing labor market that will satisfy your company's needs both now and for the next twenty-five years. Growth rates for residential housing and population in DeKalb County are growing in excess of 2%/year and could increase modestly (and manageably) in the next few years.

We expect the county's rate of housing growth to continue to increase in the future, but probably *not at the faster pace of some of our neighboring counties to the east, north, or south.* There is a desire to have a controlled and managed approach to growth so that the rural parts of the county can avoid scattered, patchwork development. Growth can be confined and managed to where it makes sense to provide highways, sewer, water, police, education, and a host of other municipal services. Modest increments of residential growth do not overtax the ability of local governments to keep up with services that are required.

Around the county, we have measured residential subdivision development in DeKalb, Cortland, Maple Park, Genoa, and Sycamore, which probably comprises about 90% of all the residential growth currently planned in the county. In reviewing the future development plans for 11 subdivisions in the city of DeKalb, plans are on the drawing boards for approximately 2,100 single-family homes, and 1,000 additional multiple family or townhouse units. Plans project a supply of 2,400 residential units for Sycamore, about 70% single family detached.

Growth characteristics in the neighboring communities such as Cortland, Genoa, and Maple Park, large and small subdivision plans indicate a probable development of 630 single family homes, and an additional 430 condominium and multiple family townhouse and duplex units. The entire county is currently absorbing over 700 new housing units per year, and we believe that growth could increase to 800-1,000 housing units/year. Total future development capability is estimated to be more than 5,500 units.

Where are these people coming from? Many are attracted to DeKalb County for jobs, or affordable housing, and many are also seeking the higher quality of education services, and the availability of community amenities such as parks and recreation facilities.

In DeKalb County, during 1998 and 1999, job growth was increasing at about 3%/year or roughly about 1,100-1,300 jobs per year. Job growth has slowed in 2000 and 2001. Many of these jobs are being filled by people who for a time have commuted into jobs in the western suburbs. In the early 1980's, during the recession, DeKalb County lost 40% of its industrial base and much of that has been rebuilt over the past ten years. Reducing outbound commuting (27% of the workforce) is a focus of our current efforts. We are also making efforts to increase inbound commuting (20% of the workforce.)

Some of our housing market is driven by existing home owners who are wealthier because of job and payroll gains and are moving up to newer, larger and more expensive homes or townhouses. Many of the newcomers coming to the county buy less expensive existing homes, although the average purchase price of existing homes has increased county-wide to nearly \$135,000 from \$125,000 in 1998. Many of these families are looking for a second full time or part time job in DeKalb County so they can be closer to their children, and closer to home. This pool of newcomers creates a fairly large pool of potential employees. In 1998, existing housing sales were 684 units. By 2000, existing home sales rose to 796 units in two years. So, with existing housing sales and new home construction, a total of nearly 1,500 families are moving into new homes or into different homes each year. Due to moving, this often encourages a spouse to seek a second full time or part time job.

Diverse and high quality housing choices are available because of a very active housing market in the county. Apartment-style condominiums are available, a modern manufactured home development exists, garden apartments and townhouses are available for rent or purchase, and traditional single-family homes on city lots or rural lots are generally available (and constitute the largest part of the residential inventory).

We also feel that our economy will sustain housing growth and attraction of new families into the labor market long term because of our unique geographic position in the northern Illinois region. There needs to be a synergy of many employers growing and the capability of absorbing many new families in a diverse array of professions and occupations. We believe that we are building an economy that has that resiliency in DeKalb County. The local industrial base has grown 300% in basic industries and employers in the last ten years.

Following is a summary of new employers, and others with significant increases in employment. Most of the county's employers are 25-100 employees, so there has been significant employment growth but it is spread over a multitude of companies adding 5-10 jobs per year. But, we have also had some plant closings, lay-offs and downsizing. These are summarized in a second table.

Major Expanded Companies
(25 or more job growth)

Name	1996	1997	1998	1999	2000
Eisenmann (ENCoat Services) (DeKalb)					79
Alexander Lumber (Cortland)					25
Plano Molding Company (Sandwich)				10	20
Gould Packaging (Mail-Well) (DeKalb)	15			30	
DeKalb Forge (DeKalb)	15			10	
Goodyear (TNT Logistics & Diversified Logistics) (DeKalb)			130	60	60
Tempo Components (Kirkland)			50		
Nestle Distribution (DeKalb)			50	10	10
Humane Manufacturing (Genoa)			40		
Panduit (DeKalb)	20	20	20	20	20
3M (DeKalb)	20			20	
MononaWire Corp. (DeKalb)		50	20		
DEKALB Genetics (Monsanto) (DeKalb)	50	50			
D.B. Hess (DeKalb)		25			
Alloyd (DeKalb)	40	50	20		
AG Communication Systems	100				
Note: Based on Year of Announcement, so jobs may have been actually added in the following year.					

Lay-Offs. Following is a table that identifies lay-offs that occurred in 1997, 1998, and 1999.

Major Lay-offs

Company	1997	1998	1999	2000	2001	Total
Duplex Products (Sycamore) 50% Office	400		15			415
Caterpillar Agricultural Products (DeKalb) 100% Factory		50	57			107
Creative Calligraphy (DeKalb) 40-50% Customer Service	35	35	35			105
Cooper Industries Turner Brass (Sycamore) 90% Factory	80	70				150
DEKALB Genetics/DEKALB Swine Breeders/Monsanto (DeKalb/Sycamore) 100% Office, 60 people Customer Service			100	150	30	280
Caron International (DeKalb)			16			16

Company	1997	1998	1999	2000	2001	Total
Valley Recreation Products (Sycamore) Most Factory	40	40	40			120
A. O. Smith ESP (DeKalb) 80% Factory			20		20	40
Nestle (DeKalb) 100% Customer Service			30			30
Electro Mechanical Devices (DeKalb) 100% Factory			50			50
Balck Electric (Genoa) 80% Factory				50		50
AG Communication Systems (Genoa) 90% Factory - Attrition			50	100	25	175
Spaulding Composites (DeKalb) 90% Factory		15	15		20	50
IDEAL INDUSTRIES (Sycamore) 40-50% Office			35		47	82
Burgess Norton (DeKalb) 90% Factory					30	30
Johnson Controls (Sycamore) 90% Factory				20	60	80
CTS Frequency Controls (Sandwich) 80% Factory					240	240
Rittenhouse (DeKalb) 90% Factory					40	40
Alloyd (DeKalb) 100% Factory					30	30
TOTAL						2,100

**MAJOR CLOSINGS
OUTSIDE AREA**

Company	1997	1998	1999	2000	2001	Total
Avery Dennison (Rochelle)			320			320
Hines Lumber (Rochelle)				50		50
Motor Wheel (Mendota - LaSalle County)	240					240
TOTAL						610

In Nestle's case, the lay-offs of 30 people occurred in their customer service operation and new hires have been in the warehousing operation.

About 1/3 of the reductions at companies such as DEKALB Genetics/Monsanto, and DEKALB Swine Breeders have involved relocation of corporate staff to the St. Louis area. The other 2/3's of the people decided to retire or to remain in the local area and not accept transfers. These lay-

offs include clerical, administrative and customer service personnel, who were not offered an opportunity to relocate.

In the case of IDEAL INDUSTRIES, the lay-offs were a reduction of middle management forces. They felt that they were becoming too top heavy with managers and administrators and had an especially profitable year and simply imposed staff reductions across a number of departments. There have now been two separate lay-offs.

The reductions at Valley Recreation, Creative Calligraphy, Duplex Products, Rittenhouse, CTS, Balck, Cooper/Turner, and Caron International were decisions by those companies to go out of business in the area. None of these companies had unions, except for Cooper/Turner Tools and Rittenhouse. For the most part, the market for products being made by these companies had simply shrunk and did not warrant the plants remaining in operation. In the case of other reductions, it was simply a softness in the business cycle (A. O. Smith and Caterpillar in the agricultural goods business). EMD is a Caterpillar supplier. AG Communication Systems is an electronics supplier of telecommunications equipment and a subsidiary of Lucent Technologies that suffered a major sales reduction in the fall of 1999.

Demographics of the Labor Pool. Generally, DeKalb County will also see some growth in the graduating classes from high schools over the next few years. The size of classes now going through DeKalb, Sycamore, and the Genoa school systems is generally in the range of 20%-25% larger for the year 2000 class and thereafter because of a bubble or echo of the baby boom birth rate that began in the early 1980's. Larger high school classes will be sustained and fueled by the housing growth in DeKalb County that materialized in the 1990's. The approximate 550-600 student level will rise to nearly 750-900 students in the 2000-2010 decade.

Similarly, Northern Illinois University is hoping to take advantage of the baby boom echo in terms of attracting more junior college transfer and new freshman students. Over the past decade, NIU has had to work harder to attract students, and has changed the composition of the university more heavily toward graduate students because of the baby bust. In the early 1990's, that had affected college enrollments nationwide. With the echo of the baby boom materializing, NIU is hopeful of expanding university enrollments from a low point of 20,000 students three years ago on the DeKalb campus to as many as 23,000 students on the DeKalb campus by 2010. New students would be undergraduate and hopefully live in the DeKalb/Sycamore area.

NIU Career Planning and Placement officials also report that many NIU students who graduate from NIU wish to remain in the community. They recognize that the community is at the far western edge of the Chicago region and some simply do not want to go back to the city or suburbs.

Generally, the motivation of the NIU students is to remain in the NIU region. 80% of NIU's student body comes from the region, and when they take their first positions out of college, 80% of the students remain in the northern Illinois region.

The one difference is that DeKalb/Sycamore is still a commutable location from Chicago area suburbs such as Schaumburg, Naperville, Aurora, and Elgin. If the student decides to take a

professional position there and lives in DeKalb/Sycamore and later establishes a household, that spouse will become a candidate for employment locally. This helps drive some of the labor availability locally.

Labor Recruitment. To generate a solid supply of labor for any business enterprise, employers pursue a number of programs. Only a few companies do a comprehensive job of participating in a wide variety of programs available in DeKalb County. For example, for initial recruitment, companies can either choose to advertise themselves, and take applications on site, or enlist a partnership with the local Illinois Employment and Training Center and the Department of Employment Security. Recently, Nestle sought to fill approximately thirty new job openings and held a job fair in May 1999, attracting 190 candidates in the one-day event at its warehouse.

In February 1998, 3M wanted to fill some newly authorized permanent positions and ran a 1-day weekend ad in the local newspapers, and generated 306 new applications from that one advertising experience through the Illinois Department of Employment Security at the Illinois Employment and Training Center (IETC).

In the case of Customized Transportation Inc (now TNT Logistics) and Goodyear's startup in the DeKalb area, Kishwaukee College partnered with the Illinois Department of Employment Security and KDK Job Training and held three job fairs at the community college, which is located halfway between DeKalb/Sycamore and Rochelle. 450 candidates were attracted in June of 1999; and for all three job fairs and other visits to the Illinois Employment and Training Center, CTI generated nearly 1,500 applications to fill 130 jobs (now 240 employees).

The local Illinois Employment and Training Center (IETC), which is primarily operated by the Illinois Department of Employment Security (Job Service), receives applications at its office in DeKalb. The IETC works to partner with other organizations that are in the job training, education, and welfare roles. There is constant networking in order to provide improved life skills to candidates who are underqualified and to provide remedial training when necessary through a variety of community college and vocational training and special social service type education and training courses. There is enormous cooperation among all the social service agencies in DeKalb County.

Employers also have the opportunity to participate with a number of education programs at the elementary and secondary school level, the community college level, in vocational training programs and at the college and university level. Among some of the programs are Kishwaukee Education Consortium that operates vocational programs jointly for the high schools in Rochelle, DeKalb, Sycamore, Genoa-Kingston area, and Kirkland. Kishwaukee College sponsors a program that is geared toward providing a transition from high school vocational and professional-training programs called the Kishwaukee Education to Careers Partnership. Many programs under the direction of this organization (which is constituted mostly of business officials from manufacturing, retail, service, government and other employers), work to direct and identify skill needs in the general community and ways of offering programs to encourage students to make the transition to the associate degree or vocational degree or apprenticeship program at the community college. A major program is Business and Information Technology – aimed at office systems employees.

At the community college level, there are a number of private employer dominated advisory boards, which provide input on programs ranging from computer aided design to office systems technology to manufacturing and electronics programs to safety and distribution operations. Many of the administrative and clerical positions are covered by these programs. In addition, the community college offers continuing education workshops and programs.

Many of the high school, community college and other transition programs are set up to provide mentoring and job shadowing opportunities so that young people can get an idea of available job opportunities that would fit their skill and education aspirations or capabilities.

Northern Illinois University offers a wealth of cooperative education and non-career oriented job placement capabilities, as well as internship and other mentoring and job shadowing experiences through their career planning and placement programs and cooperative education programs. NIU has one of the most active planning and placement programs in the nation, including the information technology, engineering, and logistics programs.

DeKalb County Farm Bureau. One additional resource uniquely available would be an opportunity to form a partnership with the DeKalb County Farm Bureau. Farming occupations have become more mechanized. There is a move in DeKalb County toward a single or dual crop farming operation. As a result, many farm families are looking for supplemental income sources on a full or part-time basis. The DeKalb County Farm Bureau is uniquely positioned to provide access to the 1,900 farming families of the county, as well as over 6,000 member families. The Farm Bureau's meeting and office facilities directly adjoin the site under consideration in Sycamore.

Labor Supply Conclusion. We are convinced that if a large employer were to become proactive with our education resources, in our communities, and with our service clubs, and our social service organizations, they will find themselves extraordinarily successful in recruiting the skills, talent, and labor supply that they need to insure their business success. The companies that probably pursue this locally include organizations such as Caterpillar, Kishwaukee Hospital, IDEAL INDUSTRIES, NIU, many of the banks in the county, and many of the retailers. Not all of these employers pay the top wages or offer the top benefit packages. Rather they create a good working relationship with their workforce, which breeds strong positive reputation for the company as an employer in the general public's perception.

Wages & Benefits. Enclosed is a local wage survey that DeKalb County EDC conducted in July of 2000.

Quality of Life. While DeKalb is in the Chicago region from a census or statistical standpoint, we expect that DeKalb County communities will retain their own identity and remain **exurban** rather than suburban. There is nearly 20 miles of open farmland between DeKalb County and the Fox Valley and Elgin/Aurora areas of Chicago, which form the current outlying "edge" cities, and traditional suburbs.

As a growth management approach, DeKalb County has chosen to preserve the prime farmland (perennially the most productive farmland in the world). As a consequence, the strategy of the county is to grow incrementally outward, taking as few acres as necessary for urban development and keeping it in a compact fashion. Community integrity is maintained and new subdivisions integrate with the old developments. This keeps neighborhood patterns intact so that a variety of community amenities such as parks, recreation, and shopping areas can be fostered to serve the people of the new and growing parts of the community without creating impersonal voids of undeveloped land.

The fabric of the community is also preserved through encouragement of people to shop in neighborhood shopping areas, while offering some of the national merchant shopping malls. Main Street Programs have taken root and are working in Genoa and in DeKalb. Sycamore has elected to adopt a Main Street development strategy without formerly entering the Main Street program.

There is also a desire to foster participation in service clubs, school, and recreation programs and church programs. Several new church buildings have been built around the Sycamore/DeKalb area in order to accommodate the population growth and create diversity of worship opportunities.

Due to the presence of Northern Illinois University, many faiths have worship opportunities, including Christians, Jews, Muslims, and Buddhists, either in DeKalb County, or within a 20-30 minute drive from the DeKalb/Sycamore area.

Many of our residents interested in more leisure activities have become active in local park and recreation and forest districts in the county. Access is increasing to bicycle trails, and more public programs are being offered in restored prairie areas, and wetlands, and natural resource areas of the county.

DeKalb County EDC 2000 Wage and Benefits Survey

Companies Participating:

- 1 A. O. Smith Engineered Storage Products
- 2 AG Communication Systems
- 3 Albus Packaging Inc.
- 4 Alloyd Co. Inc.
- 5 Armoloy of IL, Inc.
- 6 Castle BancGroup, Inc.
- 7 Castle PrinTech, Inc.
- 8 Caterpillar Agricultural Products
- 9 City of DeKalb
- 10 Competitive Edge
- 11 Daily Chronicle
- 12 Dolder Electric Supply Inc.
- 13 Driv-Lok, Inc.
- 14 Elmer Larson, LLC
- 15 Gould Pkg Inc.
- 16 Greenlee Textron
- 17 Hintzsche Fertilizer
- 18 IDEAL INDUSTRIES-DeKalb
- 19 IDEAL INDUSTRIES-Sycamore
- 20 Inlaid Woodcraft Co.
- 21 Kishwaukee Forge, Inc.
- 22 LMS-Walt, Inc.
- 23 Manpower
- 24 Monsanto Production
- 25 Northern FS Inc.
- 26 Opportunity House
- 27 Power Equipment Company
- 28 Rittenhouse
- 29 Sauber Mgf Co.
- 30 Seymour of Sycamore
- 31 Stairmasters, Inc.
- 32 Standard Register
- 33 Sycamore Containers, Inc.
- 34 Sycamore Systems
- 35 Sycamore Precision
- 36 Tempo Components
- 37 Unidentified
- 38 Vale Industries
- 39 Wholesale Gate Co.

Labor Statistics

1998 - 2001

		Labor Force	# Employed	# Unemployed	Rate
2001	<i>March</i>	48,096	46,035	2,061	4.3%
	February	47,890	45,869	2,021	4.2%
	January	47,737	45,670	2,067	4.3%
	Average	47,908	45,858	2,050	4.3%
2000	December	47,372	45,883	1,489	3.1%
	November	47,874	46,318	1,556	3.3%
	October	47,768	46,680	1,088	2.3%
	September	47,603	46,286	1,317	2.8%
	August	48,180	46,422	1,758	3.6%
	July	48,312	46,748	1,564	3.2%
	June	48,488	46,817	1,671	3.4%
	May	47,309	45,938	1,371	2.9%
	April	47,310	45,868	1,442	3.0%
	<i>March</i>	47,121	45,452	1,669	3.5%
	February	47,149	45,307	1,842	3.9%
	January	47,115	45,212	1,903	4.0%
	Average	47,633	46,078	1,556	3.3%
1999	December	47,610	46,165	1,445	3.0%
	November	48,297	46,990	1,307	2.7%
	October	48,017	46,707	1,310	2.7%
	September	47,822	46,456	1,366	2.9%
	August	48,526	46,665	1,861	3.8%
	July	49,534	47,406	2,128	4.3%
	June	48,654	46,921	1,733	3.6%
	May	47,653	46,141	1,512	3.2%
	April	47,329	45,985	1,344	3.1%
	<i>March</i>	47,264	45,684	1,580	3.3%
	February	47,090	45,244	1,846	3.9%
	January	47,122	45,159	1,963	4.2%
	Average	47,910	46,294	1,616	3.4%
1998	December	47,223	45,739	1,484	3.1%
	November	47,306	45,697	1,609	3.4%
	October	46,960	45,557	1,403	3.0%
	September	46,671	45,291	1,380	3.0%
	August	46,945	45,582	1,363	2.9%
	July	47,587	45,881	1,706	3.6%
	June	47,066	45,590	1,476	3.1%
	May	46,277	45,002	1,275	2.8%
	April	46,091	44,948	1,143	3.1%
	<i>March</i>	46,470	44,519	1,951	4.2%
	Average	46,860	45,381	1,509	3.2%

SOURCE: Illinois Department of Employment Security

LAST UPDATE: April 2001

Job Applicants

DEKALB COUNTY OFFICE JOB APPLICANTS

	12/31/99	03/31/00	06/30/00	12/31/00
TOTAL APPLICANTS	1,024	1,267	1,089	1,832
UNEMPLOYED	1,437 (3.0%)	1,669 (3.5%)	1,671 (3.4%)	1,489 (3.1%)
PROFESSIONAL	232	237	303	523
CLERICAL	141	265	173	321
SALES	64	70	30	62
DOMESTIC	1	0	1	1
OTHER SERVICE	86	96	74	144
AGRICULTURAL F&F	34	36	29	41
PROCESSING	3	10	8	13
MACHINE TRADES	98	142	83	157
BENCHWORK	61	53	67	96
PACKAGING & MATERIAL HAND	112	148	145	200
SUBTOTAL - INDUSTRY	274	353	303	466
STRUCTURAL WORK	132	124	124	196
MOTOR FREIGHT & TRANSP.	56	83	49	74
ALL OTHER	4	3	3	4

SOURCE: Illinois Department of Employment Security
 LAST UPDATE: April 2001

Private Employment

TREND - DEKALB COUNTY Covered by Illinois UC - March of Each Year

	<u>1998</u>		<u>1999</u>	
	FIRMS	EMPLOYMENT	FIRMS	EMPLOYMENT
AG, FISH, & FORESTRY	71	1,001	73	984
CONSTRUCTION & MINING	294	1,106	301	1,247
MANUFACTURING	154	5,934	146	6,651
TRANS, COMM, & UTILITIES	78	801	83	819
RETAIL/WHOLESALE TRADE	536	6,940	524	6,846
FINANCE/INS/REAL ESTATE	143	1,113	142	1,253
SERVICES	565	5,744	597	5,756
TOTAL	1,841	22,669	1,866	23,556

SOURCE:

Economic Information & Analysis, IDES - 1999

LAST UPDATE:

April 2001

Labor Market Area

DeKalb County Labor Market Area December 1999

County	County Labor Force	Unemployment Rate December '98	% Available to DeKalb County (Commute Time to Work)		Available Workers for DeKalb County		Available Unemployed Workers for DeKalb County	
			>40 min.	>30 min.	>40 min.	>30 min.	>40 min.	>30 min.
DeKalb	47,610	3.0%	100.0%	100.0%	46,165	46,165	1,445	1,445
Lee	17,702	3.9%	19.7%	10.8%	3,352	1,838	135	74
Ogle	28,331	4.7%	25.4%	13.3%	6,860	3,592	336	176
Kendall	29,824	2.5%	32.4%	17.2%	9,418	5,000	245	130
Boone	22,097	5.5%	27.1%	12.4%	5,660	2,590	328	150
Kane	220,134	4.0%	31.9%	16.7%	67,411	35,291	2,811	1,472
McHenry	138,281	3.0%	32.8%	20.0%	43,991	26,824	1,365	832
LaSalle	54,770	6.3%	20.5%	12.1%	10,522	6,211	706	416
Winnebago	150,611	4.3%	15.0%	6.1%	21,632	8,797	960	390
TOTAL	709,360				215,011	136,306	8,332	5,086

Sources: Labor Data - Illinois Department of Employment Security
Commuting Times - U.S. Census Data

Commuting Patterns

Commuting Patterns in DeKalb County 1990

County	36,265 Working in DeKalb Co., # Commuting From:	% Commuting From:	39,449 Living in DeKalb Co., # Commuting To:	% Commuting To:
Boone	349	0.96%	167	0.42%
Cook	918	2.53%	1,492	3.78%
DeKalb	29,022	80.03%	29,022	73.57%
DuPage	385	1.06%	1,660	4.21%
Kane	1,054	2.91%	3,851	9.76%
Kendall	569	1.57%	894	2.27%
Lake	55	0.15%	156	0.40%
LaSalle	1,350	3.72%	318	0.81%
Lee	353	0.97%	52	0.13%
McHenry	154	0.42%	358	0.91%
Ogle	1,261	3.48%	234	0.59%
Stephenson	11	0.03%	35	0.09%
Will	59	0.16%	215	0.55%
Winnebago	374	1.03%	634	1.61%
OTHER	351	0.97%	361	0.92%

Source: Illinois Department of Employment Security



MONSANTO CORPORATE HEADQUARTERS CAMPUS

Offering Summary



Listing Status: Active
Property ID: 9535470
Property Type: Office
Subtype: Office Building
Property: MONSANTO CORPORATE HEADQUARTERS CAMPUS
Address: 1947 Bethany Road
 Sycamore, IL 60178. United States

Price: \$3,900,000
Down Pmt: N/A
Sq. Feet: 52,500
Lot Size: 15.90 acr.
No. of Tenants: N/A
Occupancy: N/A
Investment: Cap Rate: 0.00% actual
Factors: Cash-on-Cash: N/A% actual
 Price/ Sq. Feet: \$74.29
 Built: 1982
Currency: USD
Date Last Verified: 28 Dec 2001

Property Description

Class A Office Building, 3 levels, 177 car parking, zoned light industrial/business, immediate availability. Many state-of-the-art upgrades, ADA compliant, fully sprinklered & hydraulic elevator. 1,000sf self contained computer room. Building can be expanded either for additional office or warehouse space. Brochure available.

Location Description

Within minutes of the four-way interchange at I-88 & Peace Road, 55 miles West of Chicago.

Contact Information

Milner Real Estate

Steve Milner

Phone: 815-758-2100

9535470 3/9/2001

The information above has been obtained from sources believed reliable. While we do not doubt its accuracy we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions, or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

EXHIBIT "D"



**Illinois Historic
Preservation Agency**

1 Old State Capitol Plaza • Springfield, Illinois 62701-1507 • (217) 782-4836 • TTY (217) 524-7128

DeKalb County
Sycamore
1947 Bethany Road
Unknown

Please refer to: IHPA LOG #0109170034H-D

October 12, 2001

Donald P. Gadzala
Nicor Gas
1844 Ferry Road
P.O. Box 190
Aurora, IL 60507-0190

Dear Sir:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that this project, as proposed, will have no effect on any Historic Properties. We, therefore, have no objection to the undertaking proceeding as planned.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act, as amended.

Sincerely,

Anne E. Haaker

Anne E. Haaker
Deputy State Historic
Preservation Officer

AEH:EGH:jrm